

**Three Seasons Condominiums
 Owners Association Meeting Minutes
 Friday, June 25, 2004, 9:00 AM MDT
 Three Seasons Conference Room
 Mt Crested Butte, Colorado**

Call to Order

The meeting was called to order at 9:05 AM by acting Board President, Scott Brickert.

Proof of Notice

The proof of notice was mailed May 26, 2004, which was 30 days prior to the scheduled meeting date.

Roll Call/Establish Quorum:

<u>Members Present In Person</u>	<u>Unit #</u>	<u>% of Ownership</u>
Tony and Linda Sansing	131	1.6618
Jeff Steere	133	1.6618
Josh Quentzel	135, 235, 237, 242, 244	8.3090
Dan & Peggy Zeroski	203	1.6618
Walt Mauro	304	1.6618
Scott Brickert	341	1.6618
Matthew Brust	343	
Toby Rippetoe	C7, C8, C14	2.2090
Walter Money penny	C2-6, C9 -13, C15-18	9.007
Three Seasons Association	C1, C19, C20	2.9240

<u>Members Represented by Proxy</u>	<u>Unit #</u>	<u>% of Ownership</u>
	136sb	
	137sb	
	139jq	
	140sb	
	141sb	
	142sb	
	143wp	
	208wp	
	231wp	
	241sb	
	302wp	
	303wp	
	305wp	
	308sb	
	332wp	
	333wp	

Management Company Present

Walter Money Penny

Kathy Morgan

Paige Owens

A quorum was established with 58.52% of the ownership represented in person or by proxy.

Reading and Approval of Past Minutes – June 27, 2003

Dan Zeroski made the following:

Motion: to dispense with the reading of the June 27, 2003 meeting minutes and approve as submitted.

Seconded: Scott Brickert

Vote: Unanimous Approval

Reports

Manager's Report: Walter Money Penny

The past few months have brought many new owners to the Three Seasons. Over the last year Three Seasons welcomes 15 new owners in 23 units.

Common Element – Completed Projects

The asphalt was sealed in September 2003. The asphalt is holding up fairly well considering its age.

The stucco is scheduled to be repaired in June 2004.

Common Element – Future and Potential Projects

The Board has been considering the condition of the sliding glass door hardware throughout the complex. The doors are hard to open and close due to the age of the building and many have bad seals. When soliciting bids for the replacement of the u-channels and other hardware, it was pointed out that the sliders could be damaged if and when the decks are replaced, since the decks attach under the doorframe.

Also regarding decks, management is currently soliciting bids for the replacement of the second and third floor decks to get an idea on the cost of such a project. It has been suggested that when new decks are installed that they be one board shorter to prevent them from being hit by falling snow and ice, as were the decks on Units 203 & 231, among others.

Another potential project is a facelift for the interior common areas, i.e. replacing the shingle look, improving lighting, removing or updating the silk plants and the center areas of the north mall.

The insurance company has suggested that they may mandate a pool cover in order to keep our current rates where they are. Management agrees that a cover is a good idea, especially with the amount of time the pool is not monitored. Keeping the pool covered could save on the natural gas required to heat the pool. Management also reported Resort Realty Group gave the Three Seasons Association the gates that once graced the entrance of the store area. These gates will be used to span the opening to the hot tub area and allow for securing that area during closed hours.

Resort and Rental Business

Crested Butte Mountain Resort has finally been sold! The new owners, Tim and Diane Mueller, who also own Okemo Mountain in Vermont and Mt Sunapee in New Hampshire, will be making slow but steady changes at the Resort. Improvements this off-season will include new signage on the mountain, a facelift of the Gothic Building and improvements at the Paradise Warming House and other infrastructure items. The Resort has even re-named the Keystone Lift to the Red Lady Express!

The 2003/2004-ski season showed about an 8% decrease in rental revenue for the Three Seasons short term rentals. Comparing the 2003 calendar year to 2002, the complex actually shows an increase in business, due to the stronger demand in the summer and fall. With the sale of the Resort and publicity it has generated, management expects that rentals should increase.

Revenue for the spring and summer months (May – September) are up about 8% as compared to the same period in 2003, and, early bookings for winter are ahead quite a bit, due to some early bookings from groups.

Financial Report: Walter Moneypenny

The balance sheet for the Three Seasons Condominiums shows the Association holding \$150,343 in cash as of May 31, 2004. Accounts Receivables shows a balance of \$6,447.59. Management is working with all past due owners and the Board to make sure they are current.

Regular Assessments – A credit was posted to an account that was overpaid in the last fiscal year, resulting in a credit for the 2003/2004 fiscal year of \$1,507.48. All money was collected.

Expenses

Overall normal operating expenses were about 3% lower than budgeted.

Contract Labor General was under budget by \$2,522.57.

Snow plowing was over budget by \$2,893. Heavy snow over the New Year's holiday contributed to this item being over budget.

Electricity was over budget by \$7,359. Another rate increase and the operation of the air handling system have contributed to this variance.

Insurance renewal fees have come in much higher than expected. Management is currently inquiring for more competitive bids.

Water and Sanitation increase was a little larger than expected. The 2005 Budget will plan for another increase in this expenditure.

Maintenance and Supplies was significantly under budget.

Firewood was not purchased this fiscal year, as the supply on hand was adequate. This supply will be evaluated before wood is purchased for the next year.

Proposed Budget

Normal increases in utilities are budgeted for. Given the increase in cost for both snow removal and roof snow removal, increases in both have been planned for. The proposed budget shows a 10% overall increase in operating expenses versus actual expenses for the 2003/2004 fiscal year, but only about a 5% increase from the previous budgeted amount.

Capital Expenses will be discussed by the Homeowners and Board of Directors and projects may be added or deleted at that time.

Old Business

Laundry Room

There is a leak in the laundry room that management is currently working to find. Management has eliminated a leak from the commercial laundry space at this time. Once this leak is found and repaired the remainder of the work in the laundry can be completed.

New Business

2003/2004 Auditor's Excess Income Resolution

Dan Zeroski made the following:

- Motion:** to accept the 2003/2004 Auditor's Excess Income Resolution with this years date
- Seconded:** Scott Brickert
- Vote:** Unanimous Approval

Election of Board of Directors

Elect one to fill unexpired term to expire in 2005

Elect two for three (3) year terms expiring 2007

Current Directors	Term Expiration
Vacant	2004
Walter Moneypenny	2004
Vacant	2005
Scott Brickert	2005
Dan Zeroski	2006

6 people were nominated for the Board of Directors
Josh Quentzel 135, 235, 237, 242, 244
Chad Hymel 302, 303
Walt Mauro 304
Toby Rippetoe C7, C8, C14
Walter Money Penny C2-6, C9 –13, C15-18

Nominees had a minute to introduce themselves and speak on their issues. Those nominees not present had sent resumes to introduce themselves and speak on their issues for the Association and were read allowed.

Vote was by secret ballot and the following Board of Directors was elected:

Josh Quentzel Term to expire in 2007
Toby Rippetoe Term to expire in 2007
Walter Money Penny Term to expire in 2005

Members Open Forum

Scott Brickert opened up the Open Forum by asking owners to share their ideas and long term goals for the Three Seasons Association.

Walter Money Penny requested that the Board look into changing the billing cycle for Three Seasons. Rather than billing \$1400 3 times a year, bill \$1050 each quarter.

Toby Rippetoe requested that the Board look into removing/replacing the signs on the south end of the building and maintaining what the Association already has while looking at ideas to improve property values. Toby also brought up the idea of working with the town to add a stairway from the south side deck down to the road.

Josh Quentzel spoke about flowerbeds for seasonal aesthetic pleasure, potential additional storage areas for each condo and potential covered parking. Josh also mentioned bike storage, ski/storage lockers, enlarging the meeting room and widening the doors on the north end of building.

Walt Mauro discussed a security system and key system. Walt also talked about difficulty with poaching pool and after hour noise as a result of unsecured areas.

Tony Sansing requested the Board look into an elevator and security for the pool vs. a pool cover. He also requested that the Board during their search for new sliding glass doors consider French Doors and windows with the blinds that sit between the glass (Pella Windows).

Mark Anderson sent a letter that also requested the Board consider a new updated Three Seasons logo, a computer facility for guests as well as the possibility of a wireless computer center.

Unscheduled Business - None

Establish Date of Next Meeting

It was agreed the next meeting would be Friday June 24, 2005 at 9:00 AM.

Adjourn

Walter Money Penny made the following:

Motion: to adjourn the meeting

Seconded: Dan Zeroski

Vote: Unanimous Approval

Approval: _____
Walter Money Penny, Secretary

Date: _____